

# ***Annual Report***

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## ***Fiscal Year 2020***

### **Alaska Board of Marine Pilots**



**Department of Commerce, Community  
and Economic Development**

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**Division of Corporations, Business  
and Professional Licensing**

This annual performance report is presented in accordance with  
Alaska statute AS 08.01.070(10).

Its purpose is to report the accomplishments, activities, and the  
past and present needs of the licensing program.

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**Identification of the Board**

<b>Board Member</b>	<b>Duty Station</b>	<b>Date Appointed</b>	<b>Term Expires</b>
<b>Curtis Thayer</b> Statutory per AS 080.62.010 - Chair	Anchorage	April 11, 2019	Commissioner's appointment
<b>Captain Ronald Ward</b> Licensed Marine Pilot – Secretary	Anchorage	March 1, 2017	March 1, 2021
<b>Captain Edward Sinclair</b> Licensed Marine Pilot	Juneau	March 1, 2019	March 1, 2023
<b>Les Cronk</b> Licensed Vessel Agent	Ketchikan	March 1, 2018	March 1, 2022
<b>Lucas Hasenbank</b> Licensed Vessel Agent/Manager	Anchorage	March 1, 2020	March 1, 2024
<b>Richard Harris</b> Public Member	Juneau	December 18, 2017	March 1, 2024
<b>Peggy McLaughlin</b> Public Member	Dutch Harbor	May 26, 2017	March 1, 2022

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**Identification of Staff**

**Renee Hoffard – Marine Pilot Coordinator**

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# Alaska Board of Marine Pilots FY 2020 Annual Report

## Narrative Statement

The Board of Marine Pilots met four times during fiscal year 2020:

- 1) October 9, 2019 via teleconference
- 2) January 16-17, 2020 in Anchorage
- 3) March 12, 2020 via teleconference
- 4) April 9, 2020 via teleconference

Over the course of the year, the Board continued its work to establish, audit and enforce the standard as set in Alaska Statute 08.62 to:

- Ensure that persons entering the practice meet rigorous standards of competency, and maintain such standards during their practice;
- Assist the public in the knowledge of who is licensed;
- Approve the standards by which pilot organizations are operated and trainees are selected;
- Approve or disapprove rates for pilotage services;
- Ensure that drug and alcohol testing is compliant;
- Ensure that sufficient pilots are available to provide service;
- Vessels subject to pilotage have a licensed pilot while transiting compulsory waters; and
- Educate the public about the statutes and regulations governing marine pilotage in Alaska.

Throughout the year, the Board maintained its review of applications for pleasure craft of foreign registry seeking exemption from pilotage.

For FY 2020, the board approved 12 applications for exemption from pilotage requirements from foreign pleasure craft (through June 15, 2020). Foreign pleasure craft exemptions generated \$42,400 in FY 2020 (through June 15, 2020).

### **Investigations**

In FY 2020, one new investigation was opened. There were 2 intakes closed. 7 cases remain open (through April 8, 2020).

### **Public Information**

The Board website makes it possible to provide online access to meeting and exam schedules, agendas, Board minutes, meeting materials, and notices for proposed regulation. Web-based distribution helps the Board reduce costs and ensure accessibility for current and historical information and for ease of public access. The public may sign up to the Board's listserv to receive timely information from the Marine Pilot Coordinator.

### **Drug and Alcohol Monitoring**

The pilot associations oversee the random drug and alcohol testing of licensed marine pilots, deputy marine pilots, trainees and apprentices. The associations are required to provide annual reports on drug testing to the Marine Pilot Coordinator, and are subject to requests for information on their drug testing programs upon request of the Board or MPC.

### **Regulations**

In FY 2020 the board proposed regulation amendments to update various regulations relating to increase in gross tons endorsement requirements, training experience in an apprenticeship program, and clarifying the definition of "experience".

### **Pending Issues**

The COVID-19 pandemic resulted in the cancellation of virtually all cruise ships scheduled to travel Alaskan waters for the 2020 season. In light of the pandemic the board adopts an order waiving certain renewal requirements for the December 31, 2020 renewal of Deputy Marine Pilots and Marine Pilots.

The board also voted to permit the core examination and local knowledge examination to be administered by the pilot associations with a board member present for the duration of the pandemic.

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**Budget Recommendations for FY 2021**

The Budget Recommendations section anticipates the board’s fiscal priorities for the upcoming year. Please complete all parts of this section with details about anticipated meetings, conferences, memberships, supplies, equipment, to other board requests. Meeting expenses that are being funded through third-party reimbursement or direct booking must be identified separately from expenses paid through license fees (receipt-supported services or RSS). Be sure to explain any items listed as “other” so they may be tracked appropriately.

Board Meeting Date	Location	# Board	# Staff
October 2020	Anchorage	4	1
<input checked="" type="checkbox"/> Airfare:			\$2,200.00
<input checked="" type="checkbox"/> Hotel:			\$1,050.00
<input checked="" type="checkbox"/> Ground:			\$510.00
<input checked="" type="checkbox"/> Other:			\$510.00
<b>Total Estimated Cost:</b>			<b>\$4,270.00</b>

Board Meeting Date	Location	# Board	# Staff
January 2020	Anchorage	4	1
<input checked="" type="checkbox"/> Airfare:			\$2,200.00
<input checked="" type="checkbox"/> Hotel:			\$1,050.00
<input checked="" type="checkbox"/> Ground:			\$510.00
<input checked="" type="checkbox"/> Other:			\$510.00
<b>Total Estimated Cost:</b>			<b>\$4,270.00</b>

Board Meeting Date	Location	# Board	# Staff
April 2020	Juneau	5	0
<input checked="" type="checkbox"/> Airfare:			\$2,600.00
<input checked="" type="checkbox"/> Hotel:			\$900.00
<input checked="" type="checkbox"/> Ground:			\$510.00
<input checked="" type="checkbox"/> Other:			\$510.00
<b>Total Estimated Cost:</b>			<b>\$4,520.00</b>

**Budget Recommendations for FY 2021 (continued)**

**Travel Required to Perform Examinations**

Not applicable

Date	Location	# Board	# Staff
<b>Description of meeting and its role in supporting the mission of the Board:</b>			
<input type="checkbox"/> Airfare:			\$0.00
<input type="checkbox"/> Hotel:			\$0.00
<input type="checkbox"/> Ground:			\$0.00
<input type="checkbox"/> Conference:			\$0.00
<input type="checkbox"/> Other:			\$0.00
Describe "Other" (break out all sections):			
<b>Total Estimated Cost:</b>			<b>\$0.00</b>

**Out-of-State Meetings and Additional In-State Travel** (Rank in order of importance)

#1 Rank in Importance or  Not Applicable

Date	Location	# Board	# Staff	
<b>Description of meeting and its role in supporting the mission of the Board:</b>				
Expenditure	License Fees (RSS)	Third-Party Reimbursement	Third-Party Direct Booked	Total
<input type="checkbox"/> Airfare:	\$0.00	\$0.00	\$0.00	\$0.00
<input type="checkbox"/> Hotel:	\$0.00	\$0.00	\$0.00	\$0.00
<input type="checkbox"/> Ground:	\$0.00	\$0.00	\$0.00	\$0.00
<input type="checkbox"/> Conference:	\$0.00	\$0.00	\$0.00	\$0.00
<input type="checkbox"/> Other	\$0.00	\$0.00	\$0.00	\$0.00
Describe "Other" (break out all sections):				
<b>Net Total:</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>

## Budget Recommendations for FY 2021 (continued)

### Non-Travel Budget Requests

- |  |                                    |                                       |
|--|------------------------------------|---------------------------------------|
| <input checked="" type="checkbox"/> Not Applicable | <input type="checkbox"/> Resources | <input type="checkbox"/> Examinations |
| <input type="checkbox"/> Membership                | <input type="checkbox"/> Training  | <input type="checkbox"/> Other        |

Product or Service	Provider	Cost Per Event
		\$0.00

Description of item and its role in supporting the mission of the Board:

### Other Items with a Fiscal Impact

Cost Per Event: **\$0.00**

- Not Applicable

Number of Events: **0**

Product or Service	Provider	Total Cost
		\$0.00

Description of item and its role in supporting the mission of the Board:

### Summary of FY 2021 Fiscal Requests

Board Meetings and Teleconferences:	\$13,060.00
Travel for Exams:	\$0.00
Out-of-State and Additional In-State Travel:	\$0.00
Dues, Memberships, Resources, Training:	\$0.00
Total Potential Third-Party Offsets:	-\$0.00
Other:	\$0.00
<b>Total Requested:</b>	<b>\$13,060.00</b>

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**Legislation Recommendations Proposed Legislation for FY 2021**

**No Recommendations**

The Board has no recommendations for proposed legislation at this time.

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**Recommendations**

The Board has the following recommendations for proposed legislation:

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**Regulation Recommendations Proposed Legislation for FY 2021**

**No Recommendations**

The Board has no recommendations for proposed regulations at this time.

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**Recommendations**

The Board has the following recommendations for proposed regulations:

*Pending Department of Law review and drafting:*

- Amend 12 AAC 56.033(b)(2)
- An explanation of experience as it is used in 12 AAC 56.033(b)(2) will be added as amendment to regulation pending advice from the Department of Law.

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**Goals and Objectives**

**Part I**

**FY 2020's goals and objectives, and how they were met:**

The board continued to advocate to hold three in-person meetings per year. Board business is much more efficiently conducted in person as opposed to through videoconference or teleconference. Further, pilots and industry often hold meetings of other related organizations in proximity to Board of Marine Pilots meetings. Interaction at those ancillary meetings often leads to more productive conduct of business at Board of Marine Pilots meetings. The board recognizes the current fiscal climate and is engaging in the use of teleconferences and using State of Alaska meeting space instead of renting private conference rooms whenever possible. Further, it understands the surface costs of travel may be greater than those of video/teleconferencing. However, it believes those costs must be weighed against the costs of reduced productivity.

The board followed the growth of Very Large Cruise Ship (VLCS) traffic into Alaska, particularly Southeast. While these vessels present an opportunity to increase tourism and related revenues, they are necessarily starting discussions about ensuring safe pilotage of these larger ships, including upgrading infrastructure to accommodate their safe pilotage.

The board continued to follow-up on the potential issues of dispatching pilots during the 2019 and 2020 summer seasons. The specific concern is ensuring there are sufficient pilots for yacht traffic during those years. This shortage will not interfere with the ability of these yachts to enter Alaska, since vessels that normally require marine pilots can enter without one provided the vessel provides proper notice and a pilot cannot be dispatched. However, as Alaska's marine pilotage program is based on protecting the health, safety and welfare of Alaskans, there is concern of an increased safety risk. SEAPA was scheduled to have two new pilots licensed by the end of FY 2019, and had 26 trainees in its program.

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**Goals and Objectives**

**Part II**

**FY 2021's goals and objectives, and proposed methods to achieve them.**

***Describe any strengths, weaknesses, opportunities, threats and required resources:***

The board shall follow the COVID-19 pandemic and review the impacts it has on the pilot organizations, training programs and license holders.

The board will monitor challenges that have been reported for trainees with the reduction in availability of Alaska Marine Highway routes used to accrue time as an observer in training programs. They will also monitor the impact that the cancellation of all 600 expected season 2020 cruise voyages have on the training programs and pilot organizations.

The board will, through a work group, work to streamline the foreign pleasure craft exemption application and process to ensure compliance with statutes and regulation. This work group will also draft guidelines to ensure that the credentials of foreign captains are comparable to the required US Coast Guard mariners credential and applicable endorsements.

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**Sunset Audit Recommendations**

**Date of Last Legislative Audit:** April 20, 2018  
**Board Sunset Date:** June 30, 2027

<b>Audit Recommendation:</b>	The board should ensure applicable documents are aboard foreign pleasure crafts in accordance with regulatory requirements.
<b>Action Taken:</b>	The Marine Pilot Coordinator will ensure applicants for foreign pleasure craft exemptions report having all required documents on board prior to processing their applications. The department and board note that compliance enforcement will be limited to self-certification unless a complaint is filed.
<b>Next Steps:</b>	The Marine Pilot Coordinator will work with vessel agents and yacht captains to ensure the documents are certified as on board prior to forwarding the applications to the board for a vote. He will also ensure information and education continues with vessel agents and yacht captains on this important point.
<b>Date Completed:</b>	Ongoing

<b>Audit Recommendation:</b>	The board should ensure the Southeast Alaska Pilots' Association (SEAPA) improves its procedures for tracking drug test notifications.
<b>Action Taken:</b>	SEAPA has worked with the third-party contractor that performs its drug tests to ensure selected donors who were out of town when notified of random selection were adequately tracked.
<b>Next Steps:</b>	The board and Marine Pilot Coordinator will continue to monitor compliance.
<b>Date Completed:</b>	Ongoing